



QUARTERLY STATEMENT

AS OF JUNE 30, 2006  
OF THE CONDITION AND AFFAIRS OF THE

Pro Care Health Plan, Inc.

NAIC Group Code	0000	0000	NAIC Company Code	11081	Employer's ID Number	38-3295207
	(Current Period)	(Prior Period)				
Organized under the Laws of	Michigan			State of Domicile or Port of Entry	Michigan	
Country of Domicile	United States of America					
Licensed as business type:	Life, Accident & Health [ ]		Property/Casualty [ ]		Dental Service Corporation [ ]	
	Vision Service Corporation [ ]		Other [ ]		Health Maintenance Organization [ X ]	
	Hospital, Medical & Dental Service or Indemnity [ ]		Is HMO, Federally Qualified? Yes [ ] No [ X ]			
Incorporated/Organized	09/29/1995		Commenced Business		12/19/2000	
Statutory Home Office	3956 Mount Elliott			Detroit, MI 48207		
	(Street and Number)			(City or Town, State and Zip Code)		
Main Administrative Office	3956 Mount Elliott		Detroit, MI 48207		313-925-4607	
	(Street and Number)		(City or Town, State and Zip Code)		(Area Code) (Telephone Number)	
Mail Address	3956 Mt. Elliott St.			Detroit, MI 48207		
	(Street and Number or P.O. Box)			(City or Town, State and Zip Code)		
Primary Location of Books and Records	3956 Mount Elliott		Detroit, MI 48207		313-925-4606	
	(Street and Number)		(City or Town, State and Zip Code)		(Area Code) (Telephone Number)	
Internet Website Address	Procarehp.com					
Statutory Statement Contact	Ahmed Numan, MSPA			313-925-4606		
	(Name)			(Area Code) (Telephone Number) (Extension)		
	procarehp.com			313-925-0322		
	(E-mail Address)			(FAX Number)		
Policyowner Relations Contact	Robin Cole - 3956 Mount Elliott		Detroit, MI 48207		866-776-0891	
	(Street and Number)		(City or Town, State and Zip Code)		(Area Code) (Telephone Number) (Extension)	

OFFICERS

Name	Title	Name	Title
Augustine Kole-James, MD	President & CEO	Harold Montgomery, CPA	Treasurer
Robin Cole, RN., MSN., MBA	Secretary	Anthony Adeleye, MD.	Medical Director

OTHER OFFICERS

DIRECTORS OR TRUSTEES

Augustine Kole-james, MD.	Harold Montgomery, CPA.	Anthony Adeleye, MD.	Catherine Riley
Elizabeth Williams	Robin Cole, RN., MSN., MBA.		

State of .....Michigan.....  
County of .....Wayne..... SS

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

Augustine Kole-James, MD President & CEO	Harold Montgomery, CPA Treasurer	Robin Cole, RN., MSN., MBA. Secretary
---------------------------------------------	-------------------------------------	------------------------------------------

Subscribed and sworn to before me this  
\_\_\_\_\_ day of \_\_\_\_\_,  
  
\_\_\_\_\_

- a. Is this an original filing? Yes [ X ] No [ ]
- b. If no,
1. State the amendment number \_\_\_\_\_
2. Date filed \_\_\_\_\_
3. Number of pages attached \_\_\_\_\_

ASSETS

	Current Statement Date			4  December 31 Prior Year Net Admitted Assets
	1  Assets	2  Nonadmitted Assets	3  Net Admitted Assets (Cols. 1 - 2)	
1. Bonds .....			0	0
2. Stocks:				
2.1 Preferred stocks .....			0	0
2.2 Common stocks .....	442,348		442,348	449,790
3. Mortgage loans on real estate:				
3.1 First liens .....			0	0
3.2 Other than first liens .....			0	0
4. Real estate:				
4.1 Properties occupied by the company (less \$ ..... encumbrances) .....			0	0
4.2 Properties held for the production of income (less \$ ..... encumbrances) .....	642,056		642,056	649,678
4.3 Properties held for sale (less \$ ..... encumbrances) .....			0	0
5. Cash (\$ .....979,730 ), cash equivalents (\$ .....0 ) and short-term investments (\$ .....2 ) .....	979,732		979,732	825,166
6. Contract loans, (including \$ .....premium notes)			0	0
7. Other invested assets .....	0	0	0	0
8. Receivables for securities .....			0	0
9. Aggregate write-ins for invested assets .....	0	0	0	0
10. Subtotals, cash and invested assets (Lines 1 to 9) .....	2,064,136	0	2,064,136	1,924,634
11. Title plants less \$ .....charged off (for Title insurers only) .....			0	0
12. Investment income due and accrued .....	4,000	2,500	1,500	1
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in the course of collection .....			0	0
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ .....earned but unbilled premiums) .....			0	0
13.3 Accrued retrospective premiums .....			0	0
14. Reinsurance:				
14.1 Amounts recoverable from reinsurers .....			0	0
14.2 Funds held by or deposited with reinsured companies .....			0	0
14.3 Other amounts receivable under reinsurance contracts .....			0	0
15. Amounts receivable relating to uninsured plans .....			0	0
16.1 Current federal and foreign income tax recoverable and interest thereon .....			0	0
16.2 Net deferred tax asset .....			0	0
17. Guaranty funds receivable or on deposit .....			0	0
18. Electronic data processing equipment and software .....	6,155		6,155	6,865
19. Furniture and equipment, including health care delivery assets (\$ ..... ) .....	26,539	26,539	0	6,126
20. Net adjustment in assets and liabilities due to foreign exchange rates .....			0	0
21. Receivables from parent, subsidiaries and affiliates .....	242		242	73,745
22. Health care (\$ ..... ) and other amounts receivable .....			0	0
23. Aggregate write-ins for other than invested assets .....	1,075	1,075	0	1,488
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23) .....	2,102,147	30,114	2,072,033	2,012,859
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			0	0
26. Total (Lines 24 and 25) .....	2,102,147	30,114	2,072,033	2,012,859
DETAILS OF WRITE-INS				
0901. ....				
0902. ....				
0903. ....				
0998. Summary of remaining write-ins for Line 9 from overflow page .....	0	0	0	0
0999. Totals (Lines 0901 through 0903 plus 0998)(Line 9 above) .....	0	0	0	0
2301. Rent due from Therapist & Dentist .....	0	0	0	1,488
2302. Prepaid SBT .....	1,075	1,075	0	0
2303. ....			0	0
2398. Summary of remaining write-ins for Line 23 from overflow page .....	0	0	0	0
2399. Totals (Lines 2301 through 2303 plus 2398)(Line 23 above) .....	1,075	1,075	0	1,488

LIABILITIES, CAPITAL AND SURPLUS

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$ ..... reinsurance ceded)			0	0
2. Accrued medical incentive pool and bonus amounts .....			0	0
3. Unpaid claims adjustment expenses .....			0	0
4. Aggregate health policy reserves .....			0	0
5. Aggregate life policy reserves .....			0	0
6. Property/casualty unearned premium reserve .....			0	0
7. Aggregate health claim reserves .....			0	0
8. Premiums received in advance .....			0	0
9. General expenses due or accrued .....	49,640		49,640	30,028
10.1 Current federal and foreign income tax payable and interest thereon (including \$ ..... on realized gains (losses)) .....			0	0
10.2 Net deferred tax liability.....			0	0
11. Ceded reinsurance premiums payable .....			0	0
12. Amounts withheld or retained for the account of others .....			0	0
13. Remittances and items not allocated .....			0	0
14. Borrowed money (including \$ ..... current) and interest thereon \$ ..... (including \$ ..... current) .....			0	0
15. Amounts due to parent, subsidiaries and affiliates .....			0	0
16. Payable for securities .....			0	0
17. Funds held under reinsurance treaties with (\$ ..... authorized reinsurers and \$ ..... unauthorized reinsurers) .....			0	0
18. Reinsurance in unauthorized companies .....			0	0
19. Net adjustments in assets and liabilities due to foreign exchange rates .....			0	0
20. Liability for amounts held under uninsured plans .....			0	0
21. Aggregate write-ins for other liabilities (including \$ ..... current) .....	22,081	0	22,081	26,574
22. Total liabilities (Lines 1 to 21).....	71,721	0	71,721	56,602
23. Aggregate write-ins for special surplus funds .....	XXX	XXX	0	0
24. Common capital stock .....	XXX	XXX	60,000	60,000
25. Preferred capital stock .....	XXX	XXX		0
26. Gross paid in and contributed surplus .....	XXX	XXX	2,453,557	2,253,557
27. Surplus notes .....	XXX	XXX		0
28. Aggregate write-ins for other than special surplus funds .....	XXX	XXX	0	0
29. Unassigned funds (surplus) .....	XXX	XXX	(513,245)	(357,300)
30. Less treasury stock, at cost:				
30.1 ..... shares common (value included in Line 24) \$ ..... ) .....	XXX	XXX		0
30.2 ..... shares preferred (value included in Line 25) \$ ..... ) .....	XXX	XXX		0
31. Total capital and surplus (Lines 23 to 29 minus Line 30) .....	XXX	XXX	2,000,312	1,956,257
32. Total liabilities, capital and surplus (Lines 22 and 31)	XXX	XXX	2,072,033	2,012,859
DETAILS OF WRITE-INS				
2101. Property tax payable.....	22,081		22,081	26,574
2102. ....				
2103. ....				
2198. Summary of remaining write-ins for Line 21 from overflow page .....	0	0	0	0
2199. Totals (Lines 2101 thru 2103 plus 2198) (Line 21 above)	22,081	0	22,081	26,574
2301. ....	XXX	XXX		
2302. ....	XXX	XXX		
2303. ....	XXX	XXX		
2398. Summary of remaining write-ins for Line 23 from overflow page .....	XXX	XXX	0	0
2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above)	XXX	XXX	0	0
2801. ....	XXX	XXX		
2802. ....	XXX	XXX		
2803. ....	XXX	XXX		
2898. Summary of remaining write-ins for Line 28 from overflow page .....	XXX	XXX	0	0
2899. Totals (Lines 2801 thru 2803 plus 2898) (Line 28 above)	XXX	XXX	0	0

STATEMENT OF REVENUE AND EXPENSES

	Current Year To Date		Prior Year To Date
	1 Uncovered	2 Total	3 Total
1. Member Months.....	XXX		.0
2. Net premium income (including \$ ..... non-health premium income).....	XXX		.0
3. Change in unearned premium reserves and reserve for rate credits .....	XXX		.0
4. Fee-for-service (net of \$ ..... medical expenses) .....	XXX		.0
5. Risk revenue .....	XXX		.0
6. Aggregate write-ins for other health care related revenues .....	XXX	.0	.0
7. Aggregate write-ins for other non-health revenues .....	XXX	.347,015	.266,267
8. Total revenues (Lines 2 to 7) .....	XXX	.347,015	.266,267
<b>Hospital and Medical:</b>			
9. Hospital/medical benefits .....			.0
10. Other professional services .....			.0
11. Outside referrals .....			.0
12. Emergency room and out-of-area .....			.0
13. Prescription drugs .....			.0
14. Aggregate write-ins for other hospital and medical .....	.0	.0	.0
15. Incentive pool, withhold adjustments and bonus amounts.....			.0
16. Subtotal (Lines 9 to 15) .....	.0	.0	.0
<b>Less:</b>			
17. Net reinsurance recoveries .....			.0
18. Total hospital and medical (Lines 16 minus 17) .....	.0	.0	.0
19. Non-health claims (net).....			.0
20. Claims adjustment expenses, including \$ ..... cost containment expenses.....			.0
21. General administrative expenses.....		.508,284	.534,843
22. Increase in reserves for life and accident and health contracts including \$ ..... increase in reserves for life only).....			.0
23. Total underwriting deductions (Lines 18 through 22) .....	.0	.508,284	.534,843
24. Net underwriting gain or (loss) (Lines 8 minus 23) .....	XXX	.(161,269)	.(268,576)
25. Net investment income earned .....		.23,390	.28,226
26. Net realized capital gains (losses) less capital gains tax of \$ .....		.(172)	.0
27. Net investment gains (losses) (Lines 25 plus 26) .....	.0	.23,218	.28,226
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$ ..... ) (amount charged off \$ ..... )] .....			.0
29. Aggregate write-ins for other income or expenses .....	.0	.0	.565
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29) .....	XXX	.(138,051)	.(239,785)
31. Federal and foreign income taxes incurred .....	XXX		.0
32. Net income (loss) (Lines 30 minus 31) .....	XXX	.(138,051)	.(239,785)
<b>DETAILS OF WRITE-INS</b>			
0601. ....	XXX		
0602. ....	XXX		
0603. ....	XXX		
0698. Summary of remaining write-ins for Line 6 from overflow page .....	XXX	.0	.0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above) .....	XXX	.0	.0
0701. Other Non-health Revenue - Management fees.....	XXX	.347,015	.266,267
0702. ....	XXX		
0703. ....	XXX		
0798. Summary of remaining write-ins for Line 7 from overflow page .....	XXX	.0	.0
0799. Totals (Lines 0701 thru 0703 plus 0798) (Line 7 above) .....	XXX	.347,015	.266,267
1401. ....			
1402. ....			
1403. ....			
1498. Summary of remaining write-ins for Line 14 from overflow page .....	.0	.0	.0
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above) .....	.0	.0	.0
2901. Other Income ( Refunds ) .....			.565
2902. ....			.0
2903. ....			
2998. Summary of remaining write-ins for Line 29 from overflow page .....	.0	.0	.0
2999. Totals (Lines 2901 thru 2903 plus 2998) (Line 29 above) .....	.0	.0	.565

STATEMENT OF REVENUE AND EXPENSES (Continued)

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year
CAPITAL AND SURPLUS ACCOUNT:			
33. Capital and surplus prior reporting year.....	1,956,257	2,134,563	2,134,563
34. Net income or (loss) from Line 32 .....	(138,051)	(239,785)	(368,307)
35. Change in valuation basis of aggregate policy and claim reserves .....		0	0
36. Change in net unrealized capital gains (losses) less capital gains tax of \$ .....	(15,171)	(14,011)	(25,241)
37. Change in net unrealized foreign exchange capital gain or (loss) .....		0	0
38. Change in net deferred income tax .....		0	0
39. Change in nonadmitted assets .....	(11,735)	(27,272)	30,774
40. Change in unauthorized reinsurance .....	0	0	0
41. Change in treasury stock .....		0	0
42. Change in surplus notes .....	0	0	0
43. Cumulative effect of changes in accounting principles .....		0	0
44. Capital Changes:			
44.1 Paid in .....		0	0
44.2 Transferred from surplus (Stock Dividend) .....		0	0
44.3 Transferred to surplus .....		0	0
45. Surplus adjustments:			
45.1 Paid in .....	200,000	200,000	200,000
45.2 Transferred to capital (Stock Dividend) .....	0	0	0
45.3 Transferred from capital .....		0	0
46. Dividends to stockholders .....		0	0
47. Aggregate write-ins for gains or (losses) in surplus .....	9,012	394	(15,532)
48. Net change in capital & surplus (Lines 34 to 47) .....	44,055	(80,674)	(178,306)
49. Capital and surplus end of reporting period (Line 33 plus 48)	2,000,312	2,053,889	1,956,257
DETAILS OF WRITE-INS			
4701. Correction of Accounting errors.....		0	1,040
4702. Prior peroid voided checks.....	0	394	394
4703. Wrote-off Claims & Claims adj. exp.....	0	0	3,500
4798. Summary of remaining write-ins for Line 47 from overflow page .....	9,012	0	(20,466)
4799. Totals (Lines 4701 thru 4703 plus 4798) (Line 47 above)	9,012	394	(15,532)

CASH FLOW

	1 Current Year To Date	2 Prior Year Ended December 31
<b>Cash from Operations</b>		
1. Premiums collected net of reinsurance.....	.0	(58,495)
2. Net investment income .....	23,390	23,951
3. Miscellaneous income .....	347,015	534,791
4. Total (Lines 1 to 3) .....	370,405	500,247
5. Benefits and loss related payments .....	.0	.0
6. Net transfers to Separate, Segregated Accounts and Protected Cell Accounts.....	.0	.0
7. Commissions, expenses paid and aggregate write-ins for deductions .....	508,284	876,171
8. Dividends paid to policyholders .....	.0	.0
9. Federal and foreign income taxes paid (recovered) \$ ..... net of tax on capital gains (losses)	0	0
10. Total (Lines 5 through 9) .....	508,284	876,171
11. Net cash from operations (Line 4 minus Line 10) .....	(137,879)	(375,924)
<b>Cash from Investments</b>		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds .....	.0	.0
12.2 Stocks .....	2,998	470,482
12.3 Mortgage loans .....	.0	.0
12.4 Real estate .....	.0	.0
12.5 Other invested assets .....	.0	.0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments .....	.0	.0
12.7 Miscellaneous proceeds .....	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7) .....	2,998	470,482
13. Cost of investments acquired (long-term only):		
13.1 Bonds .....	.0	.0
13.2 Stocks .....	3,663	461,290
13.3 Mortgage loans .....	.0	.0
13.4 Real estate .....	.0	.0
13.5 Other invested assets .....	.0	.0
13.6 Miscellaneous applications .....	172	0
13.7 Total investments acquired (Lines 13.1 to 13.6) .....	3,835	461,290
14. Net increase (or decrease) in contract loans and premium notes .....	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14) .....	(837)	9,192
<b>Cash from Financing and Miscellaneous Sources</b>		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes .....	.0	.0
16.2 Capital and paid in surplus, less treasury stock.....	200,000	200,000
16.3 Borrowed funds .....	.0	.0
16.4 Net deposits on deposit-type contracts and other insurance liabilities .....	.0	.0
16.5 Dividends to stockholders .....	.0	.0
16.6 Other cash provided (applied).....	93,282	(57,289)
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6) .....	293,282	142,711
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>		
18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Lines 15 and 17) .....	154,566	(224,021)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	825,166	1,049,187
19.2 End of period (Line 18 plus Line 19.1) .....	979,732	825,166

Prem., Enrollment

NONE

Claims Unpaid

NONE

Underwriting and Investment Exhibit

NONE

## NOTES TO FINANCIAL STATEMENTS

### NOTES TO FINANCIAL STATEMENTS

#### 1. Summary of Significant Accounting Policies

The financial statements of Pro Care Health Plan, Inc. have been completed in accordance with the NAIC Accounting Practices and Procedures manual except for items prescribed or permitted by the State of Michigan, Office of Financial and Insurance Services. Per SSAP 19 and effective January 1, 2006, the Leasehold Improvements' book value of \$26,539 has been recorded as non-admitted assets.

The presentation of the financial statements in conformity with the NAIC Accounting Practices manual, requires management to make estimate and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported revenue and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash equivalents: Short-term Investments with maturity of three months or less at the time of purchase are reported as Cash equivalents. Short-term investments consist of Money Market Mutual funds with maturity of one year or less at the purchase date are stated at amortized cost less any valuation allowance and non-admitted amounts.

Equipment are stated at depreciated cost. Depreciation is determined by the straight-line method over the estimated useful life of the asset. Properties held for the production of income are stated at depreciated cost less encumbrances. Leasehold improvements are stated at cost less amortization and non-admitted assets. Appraisal date of the properties held for the production of income, remain the same as the acquisition date. The properties have never been appraised since then. Therefore, actual cost and fair value remain the same.

Medical claims liability consists of unpaid medical claims and other obligations resulting from the provision of health care services. The liabilities include claims reported as of the balance sheet date as well as estimates for claims incurred but not reported. As of 6/30/2006 ProCare has \$0.00 Claims unpaid and the \$0.00 Unpaid Claims adjustment expenses.

#### 2. Accounting Changes and Correction of Errors

Not applicable

#### 3. Business Combinations and Goodwill

Not applicable

#### 4. Discontinued Operations

Not applicable

#### 5. Investments. (Mortgage Loans, Debt Restructuring, Reverse Mortgages, Loan-Backed Securities and Repurchase Agreements and Real Estate.)

Not applicable

#### 6. Joint Ventures, Partnerships and Limited Liability Companies

Not applicable

#### 7. Investment Income

Not applicable

#### 8. Derivative Instruments

Not applicable



NOTES TO FINANCIAL STATEMENTS

9. Income Taxes

Not applicable

10. Information Concerning Parent, Subsidiaries and Affiliates

During the second quarter of 2006, the company received capital contributions in the amount of \$200,000 from Dr. Augustine Kole-James, the sole shareholder of the company. Additionally, ProCare signed a contractual agreement to provide management services to its affiliate, ProCare Plus, Inc in the year 2004. As such, the Plan received year-to-date management revenue of \$347,015. The Plan recorded this amount as non-health care revenue. Completed form D had been submitted to Office of Financial and Insurance services and approved by the Commissioner.

11. Debt

Not applicable

12. Retirement Plans, Deferred Compensation, Post-employment Benefits and Compensated Absences and Other Post retirement Benefit Plans

Not applicable

13. Capital and Surplus, Shareholder’s Dividend Restrictions and Quasi-Reorganizations

The Plan has 60,000, authorized, issued, and outstanding shares with Par Value of \$1.00. Unassigned funds has been decreased by net losss of (\$138,051) and change in net unrealized loss of (\$15,171), change in net non-admitted assets of \$(11,735) and write-off Dentist Rent (\$486) and increased by net prior period adjustment of \$9,500.

14. Contingencies

Not applicable

15. Leases

Pro Care owns properties that are leased to Professional Medical Center and the typical lease period is two (2) years and the leases contain renewal options. Pro Care is responsible for the payment of property taxes, insurance and maintenance costs related to the leased property.

Pro Care also leases office space from Professional Medical Center. The lease is on a month-to-month basis in the amount of \$2,000 per month

Lease payments and Income under the leases are as follows:

	Q2 2006	2005	2004	2003
Rental Expense	\$ 14,000	24,000	24,000	24,000
Rental Income	33,000	84,350	77,850	77,020
Computer Equipment	-0-	-0-	-0-	-0-

16. Information about Financial Instruments with Off-Balance Sheet risk and Financial Instruments with Concentrations of Credit Risk

Not applicable

17. Sales, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

Not applicable

18. Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans

## NOTES TO FINANCIAL STATEMENTS

Not applicable

**19. Direct Premium Written/Produced by Managing General Agents/ Third Party Administrators**

Not applicable

**20. September 11 Events.**

Not applicable.

**21. Other Items**

A. Extraordinary Items

Not applicable

B. Troubled Debt Restructuring: Debtors

Not applicable

C. Other Disclosures

The Plan has not written any Business as of 12/31/2005 and as of June 30, 2006. Therefore, the Plan does not have any Adult enrollee Board Members.

D. Not applicable

E. Business Interruption Insurance Recoveries.

Not applicable

**22. Events Subsequent**

Not applicable

**23. Reinsurance**

Non-applicable.

**24. Retrospectively Rated Contracts & Contracts Subject to Re-determination**

Not applicable

**25. Change in Incurred Claims and Claim Adjustment Expenses.**

Not applicable.

**26. InterCompany Pooling Arrangement .**

Not applicable

**27. Structured Settlements.**

Not applicable

**28. Health Care Receivable**

Not applicable

## NOTES TO FINANCIAL STATEMENTS

**29. Participating Policies.**

Not applicable.

**30. Premium Deficiency Reserves.**

Not applicable.

**31. Anticipated Salvage and Subrogation.**

Not applicable

GENERAL INTERROGATORIES

(Responses to these interrogatories should be based on changes that have occurred since the prior year end unless otherwise noted.)

PART 1 - COMMON INTERROGATORIES  
GENERAL

- 1.1

Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act?

Yes ☐ No ☒
- 1.2

If yes, has the report been filed with the domiciliary state?

Yes ☐ No ☐
- 2.1

Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes ☐ No ☒
- 2.2

If yes, date of change:

If not previously filed, furnish herewith a certified copy of the instrument as amended.
3.

Have there been any substantial changes in the organizational chart since the prior quarter end?

Yes ☐ No ☒

If yes, complete the Schedule Y - Part 1 - organizational chart.
- 4.1

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes ☐ No ☒
- 4.2

If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1	2	3
Name of Entity	NAIC Company Code	State of Domicile

5.

If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved?

Yes ☐ No ☒ NA ☐

If yes, attach an explanation.
- 6.1

State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/2004
- 6.2

State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

12/31/2004
- 6.3

State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

06/27/2006
- 6.4

By what department or departments?

Office of Insurance and Financial Services
- 7.1

Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?

Yes ☐ No ☒
- 7.2

If yes, give full information:
- 8.1

Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes ☐ No ☒
- 8.2

If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3

Is the company affiliated with one or more banks, thrifts or securities firms?

Yes ☐ No ☒
- 8.4

If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.]

1	2	3	4	5	6	7
Affiliate Name	Location (City, State)	FRB	OCC	OTS	FDIC	SEC

GENERAL INTERROGATORIES

FINANCIAL

- 9.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes ☒ No ☐
- 9.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount:.....\$ .....242

INVESTMENT

- 10.1 Has there been any change in the reporting entity's own preferred or common stock? ..... Yes ☐ No ☒
- 10.2 If yes, explain:  
.....

- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) ..... Yes ☐ No ☒
- 11.2 If yes, give full and complete information relating thereto:  
.....

12. Amount of real estate and mortgages held in other invested assets in Schedule BA: .....\$ .....0

13. Amount of real estate and mortgages held in short-term investments: .....\$ .....0

14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? ..... Yes ☐ No ☒

14.2 If yes, please complete the following:

		1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Statement Value
14.21 Bonds .....	\$	.....	\$ .....0
14.22 Preferred Stock .....	\$	.....	\$ .....0
14.23 Common Stock .....	\$	.....	\$ .....0
14.24 Short-Term Investments .....	\$	.....	\$ .....0
14.25 Mortgage Loans on Real Estate .....	\$	.....	\$ .....0
14.26 All Other .....	\$	.....	\$ .....0
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26).....	\$	.....0	\$ .....0
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above .....	\$	.....	\$ .....0

15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? ..... Yes ☐ No ☒

15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? ..... Yes ☐ No ☐

If no, attach a description with this statement.

16. Excluding items in Schedule E, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Part 1 - General, Section IV.H - Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? ..... Yes ☒ No ☐
- 16.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1 Name of Custodian(s)	2 Custodian Address
Comerica Bank, Trust Division.....	411 West Lafayette, Detroit, MI. 48226.....

16.2 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)

16.3 Have there been any changes, including name changes in the custodian(s) identified in 16.1 during the current quarter? ..... Yes ☐ No ☒

16.4 If yes, give full and complete information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason

16.5 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository	2 Name(s)	3 Address
Comerica Bank, Trust Division.....	Lesley Coffee.....	411 West Lafayette, Detroit, MI. 48226.....

17.1 Have all the filing requirements of the *Purposes and Procedures Manual* of the NAIC Securities Valuation Office been followed? ..... Yes ☒ No ☐

17.2 If no, list exceptions:  
.....

SCHEDULE A - VERIFICATION

Real Estate

	1	2
	Year to Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	649,678	664,920
2. Increase (decrease) by adjustment .....	(7,622)	(15,242)
3. Cost of acquired .....	0	0
4. Cost of additions to and permanent improvements .....	0	0
5. Total profit (loss) on sales .....	0	0
6. Increase (decrease) by foreign exchange adjustment .....	0	0
7. Amount received on sales .....	0	0
8. Book/adjusted carrying value at end of current period .....	642,056	649,678
9. Total valuation allowance .....	0	0
10. Subtotal (Lines 8 plus 9) .....	642,056	649,678
11. Total nonadmitted amounts .....	0	0
12. Statement value, current period (Page 2, real estate lines, Net Admitted Assets column)	642,056	649,678

SCHEDULE B – VERIFICATION

Mortgage Loans

	1	2
	Year to Date	Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest on mortgages owned, December 31 of prior year.....	0	0
2. Amount loaned during period:		
2.1. Actual cost at time of acquisitions .....		0
2.2. Additional investment made after acquisitions .....		0
3. Accrual of discount and mortgage interest points and commitment fees .....		0
4. Increase (decrease) by adjustment .....		0
5. Total profit (loss) on sale .....		0
6. Amounts paid on account or in full during the period .....		0
7. Amortization of premium .....		0
8. Increase (decrease) by foreign exchange adjustment .....		0
9. Book value/recorded investment excluding accrued interest on mortgages owned at end of current period .....	0	0
10. Total valuation allowance .....		0
11. Subtotal (Lines 9 plus 10) .....	0	0
12. Total nonadmitted amounts .....		0
13. Statement value of mortgages owned at end of current period (Page 2, mortgage lines, Net Admitted Assets column)	0	0

SCHEDULE BA – VERIFICATION

Other Invested Assets

	1	2
	Year to Date	Prior Year Ended December 31
1. Book/adjusted carrying value of long-term invested assets owned, December 31 of prior year .....	0	0
2. Cost of acquisitions during period:		
2.1. Actual cost at time of acquisitions .....		0
2.2. Additional investment made after acquisitions .....		0
3. Accrual of discount .....		0
4. Increase (decrease) by adjustment .....		0
5. Total profit (loss) on sale .....		0
6. Amounts paid on account or in full during the period .....		0
7. Amortization of premium .....		0
8. Increase (decrease) by foreign exchange adjustment .....		0
9. Book/adjusted carrying value of long-term invested assets at end of current period .....	0	0
10. Total valuation allowance .....		0
11. Subtotal (Lines 9 plus 10) .....	0	0
12. Total nonadmitted amounts .....		0
13. Statement value of long-term invested assets at end of current period (Page 2, Line 7, Column 3)	0	0

SCHEDULE D – VERIFICATION

Bonds and Stocks

	1	2
	Year to Date	Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year .....	449,790	464,995
2. Cost of bonds and stocks acquired .....	3,683	461,290
3. Accrual of discount .....	0	0
4. Increase (decrease) by adjustment .....	(7,955)	(6,431)
5. Increase (decrease) by foreign exchange adjustment .....	0	0
6. Total profit (loss) on disposal .....	(172)	418
7. Consideration for bonds and stocks disposed of .....	2,998	470,482
8. Amortization of premium .....	0	0
9. Book/adjusted carrying value, current period .....	442,348	449,790
10. Total valuation allowance .....	0	0
11. Subtotal (Lines 9 plus 10) .....	442,348	449,790
12. Total nonadmitted amounts .....	0	0
13. Statement value .....	442,348	449,790

SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity  
During the Current Quarter for all Bonds and Preferred Stock by Rating Class

	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. Class 1 .....	.0				.0	.0	.0	.0
2. Class 2 .....	.0				.0	.0	.0	.0
3. Class 3 .....	.0				.0	.0	.0	.0
4. Class 4 .....	.0				.0	.0	.0	.0
5. Class 5 .....	.0				.0	.0	.0	.0
6. Class 6 .....	0				0	0	0	0
7. Total Bonds	0	0	0	0	0	0	0	0
PREFERRED STOCK								
8. Class 1 .....	.0				.0	.0	.0	.0
9. Class 2 .....	.0				.0	.0	.0	.0
10. Class 3 .....	.0				.0	.0	.0	.0
11. Class 4 .....	.0				.0	.0	.0	.0
12. Class 5 .....	.0				.0	.0	.0	.0
13. Class 6 .....	0				0	0	0	0
14. Total Preferred Stock	0	0	0	0	0	0	0	0
15. Total Bonds and Preferred Stock	0	0	0	0	0	0	0	0

SCHEDULE DA - PART 1

Short-Term Investments Owned End of Current Quarter					
	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Interest Collected Year To Date	Paid for Accrued Interest Year To Date
8299999 Totals	2	XXX	2	0	0

SCHEDULE DA - PART 2- VERIFICATION

Short-Term Investments Owned		
	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	0	0
2. Cost of short-term investments acquired .....	2	0
3. Increase (decrease) by adjustment .....		0
4. Increase (decrease) by foreign exchange adjustment .....		0
5. Total profit (loss) on disposal of short-term investments .....		0
6. Consideration received on disposal of short-term investments .....		0
7. Book/adjusted carrying value, current period .....	2	0
8. Total valuation allowance .....		0
9. Subtotal (Lines 7 plus 8) .....	2	0
10. Total nonadmitted amounts .....		0
11. Statement value (Lines 9 minus 10) .....	2	0
12. Income collected during period .....		0
13. Income earned during period		0



Schedule DB - Part F - Section 1

NONE

Schedule DB - Part F - Section 2

NONE

Schedule S

NONE

SCHEDULE T PREMIUMS AND OTHER CONSIDERATIONS

Current Year to Date - Allocated by States and Territories									
States, Etc.	1	2	Direct Business Only Year-to-Date						
	Guaranty Fund (Yes or No)	Is Insurer Licensed? (Yes or No)	3	4	5	6	7	8	
			Accident and Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefit Program Premiums	Life and Annuity Premiums and Deposit-Type Contract Funds	Property/ Casualty Premiums	
1. Alabama .....	AL								
2. Alaska .....	AK								
3. Arizona .....	AZ								
4. Arkansas .....	AR								
5. California .....	CA								
6. Colorado .....	CO								
7. Connecticut .....	CT								
8. Delaware .....	DE								
9. District of Columbia .....	DC								
10. Florida .....	FL								
11. Georgia .....	GA								
12. Hawaii .....	HI								
13. Idaho .....	ID								
14. Illinois .....	IL								
15. Indiana .....	IN								
16. Iowa .....	IA								
17. Kansas .....	KS								
18. Kentucky .....	KY								
19. Louisiana .....	LA								
20. Maine .....	ME								
21. Maryland .....	MD								
22. Massachusetts .....	MA								
23. Michigan .....	MI	Yes							
24. Minnesota .....	MN								
25. Mississippi .....	MS								
26. Missouri .....	MO								
27. Montana .....	MT								
28. Nebraska .....	NE								
29. Nevada .....	NV								
30. New Hampshire .....	NH								
31. New Jersey .....	NJ								
32. New Mexico .....	NM								
33. New York .....	NY								
34. North Carolina .....	NC								
35. North Dakota .....	ND								
36. Ohio .....	OH								
37. Oklahoma .....	OK								
38. Oregon .....	OR								
39. Pennsylvania .....	PA								
40. Rhode Island .....	RI								
41. South Carolina .....	SC								
42. South Dakota .....	SD								
43. Tennessee .....	TN								
44. Texas .....	TX								
45. Utah .....	UT								
46. Vermont .....	VT								
47. Virginia .....	VA								
48. Washington .....	WA								
49. West Virginia .....	WV								
50. Wisconsin .....	WI								
51. Wyoming .....	WY								
52. American Samoa .....	AS								
53. Guam .....	GU								
54. Puerto Rico .....	PR								
55. U.S. Virgin Islands .....	VI								
56. Northern Mariana Islands .....	MP								
57. Canada .....	CN								
58. Aggregate Other Alien .....	OT	XXX	0	0	0	0	0	0	0
59. Subtotal .....	XXX	XXX	0	0	0	0	0	0	0
60. Reporting entity contributions for Employee Benefit Plans .....	XXX	XXX							
61. Total (Direct Business) .....	XXX	(a) 1	0	0	0	0	0	0	0
DETAILS OF WRITE-INS									
5801. ....									
5802. ....									
5803. ....									
5898. Summary of remaining write-ins for Line 58 from overflow page .....			0	0	0	0	0	0	0
5899. Totals (Lines 5801 through 5803 plus 5898) (Line 58 above) .....			0	0	0	0	0	0	0

(a) Insert the number of yes responses except for Canada and other Alien.

**SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP**  
**PART 1 - ORGANIZATIONAL CHART**

Augustine Kole-James, MD, Pharm.D.

Sole shareholder Procure Health Plan, Inc. For profit Michigan Corporation.	Sole Shareholder Procure Plus, Inc. For Profit Michigan Corporation	Sole shareholder Augustine Kole-James, MD. Pharm.D. d/b/a Professional Medical Center Michigan professionalCorporation	General Partner AREWA FLP Michigan Parners
-----------------------------------------------------------------------------------	---------------------------------------------------------------------------	---------------------------------------------------------------------------------------------------------------------------------	--------------------------------------------------

OVERFLOW PAGE FOR WRITE-INS

MQ005 Additional Aggregate Lines for Page 05 Line 47.  
\*REVEX2

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year
4704. Rounding error.....	(2)	0	(12,766)
4705. ....		0	(7,700)
4706. Write-offs Dentist rent.....	(486)	0	0
4707. Trust fees 12 31 05.....	(1,500)	0	0
4708. Reimbursed by affiliate 12 31 05 bill.....	11,000	0	0
4797. Summary of remaining write-ins for Line 47 from Page 05	9,012	0	(20,466)

Schedule A - Part 2

NONE

Schedule A - Part 3

NONE

Schedule B - Part 1

NONE

Schedule B - Part 2

NONE

Schedule BA - Part 1

NONE

Schedule BA - Part 2

NONE

**STATEMENT AS OF JUNE 30, 2006 OF THE Pro Care Health Plan, Inc.**

## SCHEDULE D - PART 3

**Show All Long-Term Bonds and Stock Acquired by the Company During the Current Quarter**

[illegible]

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues .....

E04

## SCHEDULE D - PART 4

[illegible]

E05

Schedule DB - Part A - Section 1

NONE

Schedule DB - Part B - Section 1

NONE

Schedule DB - Part C - Section 1

NONE

Schedule DB - Part D - Section 1

NONE



**STATEMENT AS OF JUNE 30, 2006 OF THE Pro Care Health Plan, Inc.**

## SCHEDULE E - PART 1 - CASH

[illegible]

## SCHEDULE E - PART 2 CASH EQUIVALENTS

1 CUSIP Identification	2 Description	3 Code	4 Date Acquired	5 Rate of Interest	6 Maturity Date	7 Book/Adjusted Carrying Value	8 Amount of Interest Due and Accrued	9 Gross Investment Income
NONE								
0199999 Total Cash Equivalents								